

# Compliance & Risk

Volume 2, Issue 4

July/August 2013

## Headlines

- 10m euro fine for UBS France p.17
- GCHQ taps into enormous volume of data p.18
- ICO joins attack on Google p.19
- Formula 1 boss charged with bribery offences p.20

## Contents

|  |    |
|--|----|
| Consumer credit:<br>Preparing for FCA supervision                            | 2  |
| Data security:<br>Protecting your information assets                         | 6  |
| Pension reforms:<br>Changes to the state pension regime                      | 10 |
| The Defamation Act 2013: The impact on the legal risks of using social media | 13 |
| News & Views   | 17 |

## Chinese regulators mobilise against multi-national companies

Multi-national companies are coming in for a great deal of scrutiny in China as a wave of investigations is set off by a variety of Chinese regulators.

The State Administration for Industry and Commerce (SAIC), which is in charge of registering and managing industrial and commercial companies in China, is leading a move to improve the enforcement of the Anti-Monopoly Law (adopted by China in 2008).

A number of anti-trust investigations have commenced, most notably one involving Tetra-Pak,

the European food packaging group.

The SAIC is said to be focusing on the more 'behavioural' aspects of competition, such as market dominance, whereas China's main economic planning agency, the National Development and Reform Commission (NDRC), has begun a pricing investigation into the manufacturers of baby milk formula.

The milk formula investigation has targeted five foreign brands, including Nestle which cut its prices as soon as the investigation was announced. Two

domestic brands are also involved — they have both promised price cuts in the near future.

And the anti-trust authorities are not the only regulators to have stepped up their game lately in China.

The Chinese Ministry of Public Security, which regulates corruption in the country, has recently launched a criminal investigation into the activities of GlaxoSmithKline.

The global pharmaceutical giant is suspected of being involved in bribery

[\(Continued on page 17\)](#)

## EDPS finds major faults with new anti-money-laundering proposals

The European Data Protection Supervisor (EDPS) has recently published his opinion on the content of the proposed 4th Money-laundering Directive and the proposals for a Regulation on information on the payer accompanying transfers of funds.

The purpose of the two proposals, which were sent to the EDPS for consultation on 12th February 2013, is to provide greater transparency and tracea-

bility of payment sources, fund deposits and transfers.

Whilst the EDPS agrees that the proposals represent a legitimate exercise in combating the particular illegal activities targeted, he has expressed concern that the provisions will oblige professionals to analyse large volumes of personal data, or to attempt to profile clients, without appropriate guid-

ance or training.

As with current anti-money-laundering legislation, the new provisions will also oblige professionals to report any suspicious activity to the authorities, with a risk of sanctions in the event of a failure to report.

The EDPS recommends that the new terms include specific safeguards

[\(Continued on page 17\)](#)